

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

U.S. BANK, NATIONAL ASSOCIATION, solely in
its capacity as Trustee of MASTR ADJUSTABLE
RATE MORTGAGES TRUST 2006-0A2, MASTR
ADJUSTABLE RATE MORTGAGES TRUST 2007-1,
AND MASTR ADJUSTABLE RATE MORTGAGES
TRUST 2007-3,

Plaintiff,

-against-

UBS Real Estate Securities, Inc.,

Defendant.

12-cv-7322 (PKC)(JCF)

**REPORT AND
RECOMMENDATION**

BARBARA S. JONES, MASTER

On November 2, 2016, I was appointed as Lead Master to oversee the timely entry of findings of fact and conclusions of law relating to loans that were not resolved by the Court's September 6, 2016 Memorandum and Order in this litigation. (See 11/2/16 Order.) On April 18, 2017, the Court entered an Order on Consent appointing me as Sole Master. (See 4/18/17 Order.) Pursuant to that appointment, I now make the following recommendations for a procedure to resolve the outstanding loans.

1. I will conduct a loan-by-loan review of each outstanding loan, ordered by category. The first category I will review are those loans for which Plaintiff asserts there has been a breach of the MLS Warranty that involves borrower fraud due to undisclosed debts. I will identify subsequent categories as my review proceeds, but it is my expectation that I will prioritize review of loans for which Plaintiff asserts borrower fraud.

2. For each outstanding loan in an identified category, Plaintiff is to submit to me a document of no more than 500 words setting forth (i) a numbered list of all breaches Plaintiff

asserts with respect to the loan,¹ and (ii) all evidence and arguments in support of each asserted breach, together with appropriate citations to the record (*i.e.* bates and exhibit numbers). Plaintiff is also to provide me with a copy of all record materials cited in its submission, including all guidelines relevant to my evaluation of the loan.

3. Plaintiff is to roll its submissions to me at a rate of no fewer than 400 loans per month, until all loans within an identified category have been submitted. Plaintiff's first batch of submissions shall be due on June 1, 2017.

4. Upon receipt of Plaintiff's submission with respect to a given loan, Defendant will have 45 days to submit to me a document of no more than 500 words setting forth its response, if any, to each asserted breach, together with appropriate citations to the record. If Defendant cites to any record evidence other than that provided by Plaintiff, Defendant shall include that evidence with its submission.

5. Upon receipt of Defendant's responsive submission with respect to a given loan, Plaintiff will have 21 days to submit a reply, if any, of no more than 250 words. If Plaintiff cites to any record evidence other than that provided in the prior submissions, Plaintiff shall include that evidence with its reply.

6. The parties' submissions should include any arguments they wish to make regarding the admissibility of loan files for the loan at issue stemming from Judge Castel's April 20, 2017 Order. (See 4/20/17 Order.)

7. The parties' submissions may not cite or reference any materials outside of the record.

¹ Consistent with the Court's determination that "[w]ith the exception of calculation of damages and withdrawal of claims of breach by the Trusts, the evidence is closed," Plaintiff may not assert breaches not already included in the record. (11/2/16 Order at 236.) Plaintiff should, however, omit breaches it no longer desires to assert.

8. The parties should provide their submissions to me in both electronic and paper form.

9. It is my intention to hold argument on each category of loans before I issue any reports and recommendations. If I require any additional information, materials, or argument with respect to a given loan, I will request such information, materials, or argument from the parties. If I find in Plaintiff's favor based on one of Plaintiff's asserted breaches for a given loan, my report and recommendation need not address Plaintiff's additional asserted breaches for the loan.

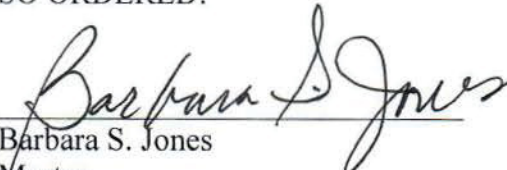
10. Within thirty days of my issuance of a report and recommendation, either party may file objections with the Court. The parties may not object based on breaches or arguments not asserted in their submissions to me.

11. Each party may file a response to the other party's objections to a report and recommendation within twenty-one days.

12. The Court's review of my recommendations shall be *de novo*.

Dated: New York, New York
May 1, 2017

SO ORDERED:


Barbara S. Jones
Master